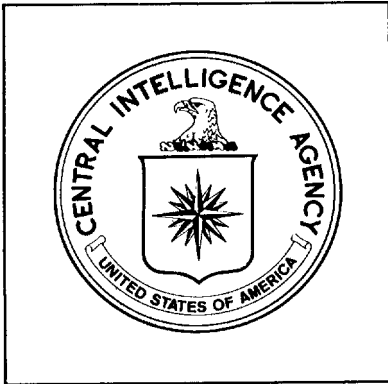


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Soviet Union-Eastern Europe

STAFF NOTES

State Department review completed

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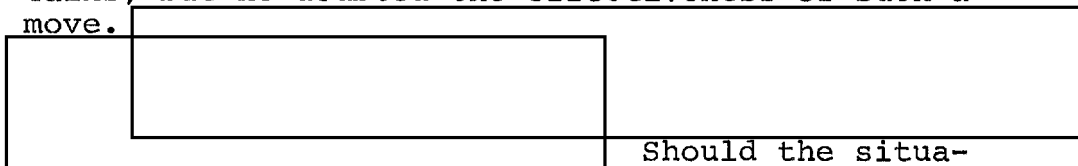
Soviet Views on Bangladesh

Moscow has once again expressed its concern over the unsettled situation in Bangladesh. In a conversation on Bangladesh with the US ambassador on December 19, Soviet Deputy Foreign Minister Firyubin repeatedly stressed the paramount importance Moscow attaches to the preservation of stability in South Asia. Firyubin seemed to be saying that Moscow's special interest in the region entitled it to have a role in events there.

The Soviets believe the turmoil in Bangladesh is a direct result of outside interference. Although there is no hard evidence to suggest that machinations by Peking are involved, Moscow persists in seeing China's hand in the allegedly anti-Soviet activities of Bengalee extremist groups. The planned establishment of a Chinese diplomatic mission in Dacca has heightened Moscow's concern.

In an effort to reduce Soviet suspicions, Bengalee special envoy Tabarak Husain met with Soviet officials in Moscow on December 16-18 to discuss relations between the two countries. Husain probably sought to assure the Soviets that Dacca would continue its policy of nonalignment and would do its best to put down the disturbances in the countryside. Firyubin indicated, however, that Moscow remains extremely doubtful that the new leadership will be able to cope with its enormous problems.

Firyubin acknowledged that the question of Indian military intervention had come up during the talks, but he doubted the effectiveness of such a move.



Should the situation there deteriorate further, however, it seems

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unlikely that Moscow would actively work to prevent
India from intervening.

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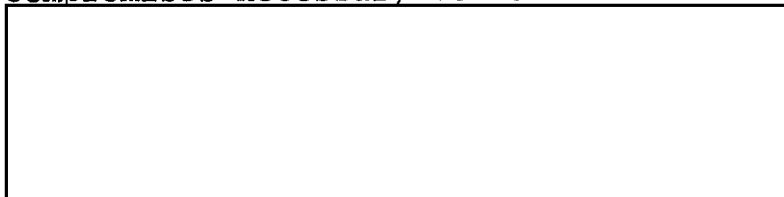
USSR - French Communist Party

A public exchange of recriminations between the French and Soviet Communist parties suggests that relations between them have reached a new low. The exchange was triggered by a film shown on French television on December 11 depicting Soviet persecution of political prisoners. On December 19, *Pravda* labeled the film a "crude falsification," which clashed with the generally improving climate of Soviet-French relations.

Pravda also expressed surprise that "some persons who have always given a due rebuff to anti-Sovietism and anti-Communism were taken in by the provocation of anti-Sovietists and anti-Communists and thus, wittingly or unwittingly, promoted further spread of this anti-Soviet provocation." This was clearly aimed at the French Communist Party, which, instead of criticizing the film itself, had issued a formal statement calling on the Soviets to rebut the charges contained in the film.

The highly unusual public airing of differences reflects the gradual cooling of relations between the two parties, especially since the Soviets favored Giscard over the leftist coalition in the May 1974 elections. The recent joint statement of the French and Italian parties and Spanish Communist Party leader Santiago Carrillo's remarks about forming a Latin Socialist bloc undoubtedly added to Soviet concern about the increasing independence of the major Western parties.

One result of the growing dispute is to reduce the chances for a European Communist Party conference in the near future. There has been other evidence, however, that the Soviets have decided not to make the compromises necessary to convene the conference.



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USSR-Turkey: Kosygin's Coming

Soviet Premier Kosygin will arrive in Turkey on Friday for a five-day visit. Although the inauguration of the Soviet-aided Iskenderum steel plant will provide the ceremonial centerpiece of his visit, Kosygin will also continue Moscow's low-key efforts to exploit US-Turkish friction and to improve its own relations with Ankara.

In his conversations with Turkish Prime Minister Demirel, Kosygin will probably urge continued economic cooperation and suggest that Moscow poses no threat to Turkish interests. He may indicate that Moscow is willing to sell Turkey military equipment.

Kosygin may also bring up the subject of extradition of two Soviet aerial hijackers who fled to Turkey in 1970.

[REDACTED] The incident, which has been a continuing irritant to Moscow, has led the Soviets to propose to Ankara that an agreement on air piracy be worked out.

In his discussions on Cyprus, Kosygin will restate the formal Soviet position favoring a unitary Cyprus, but he will not press the issue. He may suggest that Moscow--in fact--has followed a policy of benign neutrality toward the Turkish occupation.

The Turks will continue their efforts, which have accelerated since their embargo difficulties with the US, to take some of the chill and antagonism out of relations with their Communist neighbors. They no doubt view the visit as a useful signal to the West that Turkey cannot be mistreated or taken for granted.

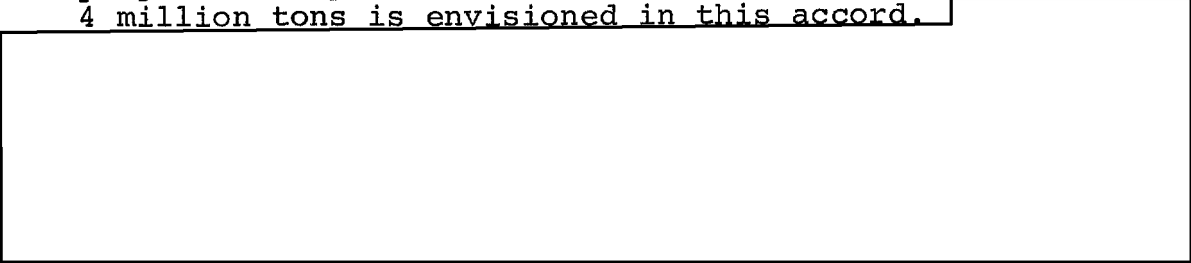
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The Iskenderum project that Kosygin will dedicate is one of Moscow's largest aid projects, involving \$420 million in Soviet credits. Construction on the project got under way in 1970; the first stage, now being opened, will be able to produce 1.1 million tons of steel annually.

Last July, Moscow and Ankara signed an economic and technical cooperation agreement that may provide as much as \$600-700 million in credits for several projects. Expansion of Iskenderum to a capacity of 4 million tons is envisioned in this accord.



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Yugoslavs Arrest A Soviet Spy

The recent arrest of a Soviet citizen for espionage could become a *cause celebre* should the Tito regime wish to accelerate its vigilance campaign against foreign, and particularly Soviet, meddling in Yugoslavia.

According to a Croat official, a 35-year-old woman--who resides in Yugoslavia but is a Soviet citizen--was arrested on November 30 for economic and political espionage. The arrest took place just three days after *Pravda* had asserted that Moscow had no hand in the activities of pro-Soviet subversives in Yugoslavia. The woman is reportedly the first Soviet citizen to be arrested in the current campaign against Cominformists and other subversives.

The Croat official implied that there was a link between the arrested woman and the Soviet consulate in Zagreb. The recent, premature departure of the Soviet consul general from Zagreb had already loosed rumors of his involvement with Cominformists. The Soviet diplomat had been expelled from Great Britain in 1971, when London ousted a host of suspected Soviet intelligence officers.

The Tito regime could use the incident to question--either by innuendo or outright accusation--the sincerity of Soviet promises to stay out of Yugoslav affairs.

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Supreme Soviet Speakers Protest
1976 Plan Cutbacks

The tight 1976 annual plan and budget presented at the December 2-4 USSR Supreme Soviet session were greeted with a barrage of complaints by republic representatives, according to regional press versions of their speeches at the session. Although all formally endorsed the plan and budget--as they are expected to--spokesmen from virtually every republic protested parts of the plan and budget and appealed for more money or equipment for their local areas. Supreme Soviet sessions on the plan and budget often hear appeals for local projects, but the present chorus of demands appears to set a new standard in this regard.

While it is not surprising that the extremely low growth rates envisaged in the plan should provoke complaints from those affected, it is surprising that local representatives would dare to speak out so openly and bitterly. Moreover, virtually all these appeals for changes in the plan or for more money or equipment were deleted from the versions of the speeches published in the central press, even in the relatively long versions printed in *Izvestia*. Only a few of the lesser appeals for more funds were mentioned in Gosplan Chairman Baybakov's concluding speech, and he replied in each instance that the funds provided were sufficient or that the questions raised were still under discussion.

The speeches do not appear intended to reflect on Brezhnev or his leadership, since the complaints were more than counterbalanced by praise for Brezhnev.

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Moreover, many of the complainers were from republics controlled by close Brezhnev proteges (the Ukraine, Kazakhstan, Azerbaydzhan, etc.). On the other hand, virtually all the complaints mentioned Gosplan or the central ministries, suggesting that Kosygin may have been the ultimate political target. Coincidentally, Kosygin, for the first time since becoming premier in 1964, failed to attend the opening day's meeting of the Supreme Soviet session. Kosygin also failed to attend on December 3, although he was reported meeting briefly with the Kuwaiti foreign minister on that day. He did attend the short December 4 final meeting which heard the brief closing speeches of Baybakov and Finance Minister Garbuzov.

The most far-reaching and serious criticism was made by Ukrainian Deputy Premier and Gosplan Chairman P. A. Rozenko, half of whose speech, as published in the December 4 *Radyanska Ukraina*, was devoted to complaints and appeals for more money. His main appeal was on behalf of the Ukrainian coal and metallurgy industries, whose growth, he contended, was being stymied by limits on investments. Stressing the national importance of Ukrainian coal and metal, he pleaded with the USSR Gosplan and central ministries to provide new equipment for Donetsk mines, to open new mines, and to provide for accelerated construction of metallurgical projects in the new five year plan. He also appealed to Gosplan and the USSR Power and Electrification Ministry to aid the lagging construction of the Dnepr-Don Canal and urged diversion of some production funds to build more kindergartens and nurseries.

Estonian Premier V. I. Klauson declared flatly, according to the December 5 *Sovetskaya Estonia*, that the 1976 plan's growth rates for Estonian industry "do not satisfy us." He complained that Gosplan and the USSR Finance Ministry had already placed limits on the rights of local plants to use their own funds

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for their own development and that these limits were being continued in the 1976 plan. He also asked Gosplan to "raise the limits on building materials" provided for Estonian kolkhozes.

A Georgian representative accused Moscow, in effect, of reneging on recent promises of aid. According to the December 4 *Zarya Vostoka*, M. T. Tsiskarishvili, head of a Georgian hydroelectric station construction administration, complained that while a 1974 CPSU Central Committee - Council of Ministers decree on Georgia had promised aid to Georgia's railroads and metallurgical, machine building, chemical, food, and light industries ministries under the 1976-80 plan, "preliminary discussion of the measures in union ministries and the USSR Gosplan" shows that these measures are in serious jeopardy, and he appealed to Gosplan and various ministries to implement the promised aid.

Azerbaijdzhani and Belorussian speakers protested cutbacks in housing and schools. Azerbaijdzhani factory worker O. A. Bagirov, according to the December 5 *Bakinsky Rabochy*, stated that the 1976 plan had cut local housing construction to 330,000 square meters, as against 1975's 355,000, and provided for construction of only 27,300 rural school seats a year. He appealed to Gosplan to allot additional investments to build housing and rural schools in Azerbaijdzhani, which he said suffered a severe shortage of both.

Belorussian Deputy Premier and Gosplan Chairman F.L.L. Kokhonov complained, according to *Sovetskaya Belorussia* on December 4, that central ministries had "sharply" cut investments for housing construction in Belorussia in the 1976 plan; he also attacked the USSR Agricultural Machine Building Ministry for eliminating funds to build vocational schools in the new plan. A Kazakh speaker, Karaganda miner Ya. Musagaliyev, according to the December 5

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Kazakhstanskaya Pravda, urgently appealed for Gosplan and the USSR Coal Ministry to reverse cutbacks in housing construction in Karaganda and also to deliver more equipment to the area.

More speakers, including even those whose republics seem favored in the new investment plans, expressed fear that their republics would not develop fast enough under the 1976 and 1976-80 plans. According to the December 5 *Pravda Vostoka*, Uzbek Premier N. D. Khudayberdyev urged Gosplan and central ministries to increase the planned growth of Uzbekistan's economy--especially its industry--to raise the production of Uzbek coal fields, and to increase delivery of agricultural equipment and pesticides to Uzbekistan. Kazakh Premier B. A. Ashimov, according to the December 5 *Kazakhstanskaya Pravda*, asked Gosplan and central ministries to provide for a "significant increase" in production of equipment for the Kazakh consumer goods industry and to provide more drilling equipment and pipe for the Kazakh oil and gas industry and more equipment for irrigation. Turkmen First Secretary M. G. Gapurov, in the December 5 *Turkmenskaya Iskra* version of his speech, appealed for aid in construction of more plants, in building a canal, and in expanding electric power, and complained that the 1976 plan's reduced investments in the Chardzhou oil refinery--which was supposed to be completed in 1975--will mean that the project will not be finished even by 1980. Armenian First Deputy Premier G. A. Martirosyan, according to the December 5 *Kommunist*, urged Gosplan and central ministries to accept local proposals to further develop Armenia's natural resources and to aid construction projects in the republic.

Even speakers from the RSFSR joined the chorus of appeals and complaints. Although long local versions of most of their speeches are not available, Baybakov's concluding comments indicated that RSFSR First Deputy Premier V. I. Vorotnikov had asked for

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more funds to build roads in the RSFSR. Baybakov likewise indicated that Moscow, Leningrad, and Kuybyshev speakers had appealed for more money for subway construction in their cities.



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